



HOUSING MARKET ANALYSIS

Elmendorf Air Force Base, Alaska

Executive Summary

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**Prepared For:
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EXECUTIVE SUMMARY

This Housing Market Analysis (HMA) assesses the ability of the off-base housing market to provide housing for military personnel at Elmendorf Air Force Base (AFB), Alaska that meets Air Force standards for location, cost, size, and suitability. This analysis evaluates the balance between suitable off-base housing and off-base military requirements for the current year, 1996, and the projected year, 2001. For 2001, manpower authorizations include personnel who are being assigned to Elmendorf AFB to support a mission transferred from Yokota Air Base. It should be noted that the housing balance for 2001 is based on the current Military Family Housing (MFH) inventory. The housing balance may change significantly if privatization is implemented at Elmendorf AFB.

The HMA does not evaluate the balance of housing for unaccompanied personnel in grades E1-E4 who are required to live on base. Please refer to the Unaccompanied Enlisted Personnel Housing (UEPH) Master Plan for the analysis of the housing balance for these personnel (Appendix C).

FINDINGS

Current Year - 1996

The findings of the study conclude that for 1996:

- ◆ **Military Family Rental Housing:** there is a **deficit** of **681** suitable off-base rental housing units for military families (Table ES-1).
- ◆ **Unaccompanied Personnel Rental Housing:** there is a **deficit** of **96** suitable rental units for unaccompanied personnel in grades E5 and above who require off-base rental housing (Table ES-2).
- ◆ **Homeowner Housing:** the homeowner housing market is expected to meet the needs of personnel who elect to purchase their homes.

Projected Year - 2001

For 2001, the study concludes:

- ◆ **Military Family Rental Housing:** there is a projected **deficit** of **704** off-base rental housing units for military families (Table ES-3).
- ◆ **Unaccompanied Personnel Rental Housing:** there is a projected **deficit** of **102** suitable rental units for unaccompanied personnel in grades E5 and above who require off-base rental housing (Table ES-4).
- ◆ **Homeowner Housing:** the homeowner housing market is expected to meet the needs of personnel who elect to purchase their homes.

Table ES-1. Military Family Housing Deficit/Surplus¹, 1996

Pay Grade	Number of Bedrooms			Total
	Two	Three	Four +	
O7 & Above	-	-	-	-
O6	-	-	-	-
O5	-	-	-	-
O4	-	1	-	1
O3	15	-	-	15
O2	11	-	-	11
O1	3	-	-	3
Officers	29	1	-	30
E9	-	-	-	-
E8	-	1	-	1
E7	-	7	-	7
E6	38	10	-	48
E5	134	-	2	136
E4	321	-	-	321
E3	105	-	-	105
E2	31	-	-	31
E1	2	-	-	2
Enlisted	631	18	2	651
Total	660	19	2	681

Source: SAIC computation based on available data.

Table ES-2. Unaccompanied Personnel Housing Deficit/Surplus¹, 1996

Pay Grade	Total
O7 & Above	-
O6	-
O5	-
O4	1
O3	9
O2	5
O1	10
Officers	25
E9	-
E8	-
E7	4
E6	15
E5	52
Enlisted	71
Total	96

Source: SAIC computation based on available data.

Table ES-3. Military Family Housing Deficit/Surplus¹, 2001

Pay Grade	Number of Bedrooms			Total
	Two	Three	Four+	
O7 & Above	-	-	-	-
O6	-	-	-	-
O5	-	-	-	-
O4	-	2	-	2
O3	21	-	-	21
O2	9	-	-	9
O1	3	-	-	3
Officers	33	2	-	35
E9	-	-	-	-
E8	-	1	-	1
E7	-	7	-	7
E6	36	11	-	47
E5	151	-	3	154
E4	328	-	-	328
E3	100	-	-	100
E2	30	-	-	30
E1	2	-	-	2
Enlisted	647	19	3	669
Total	680	21	3	704

Source: SAIC computation based on available data.

Table ES-4. Unaccompanied Personnel Housing Deficit/Surplus¹, 2001

Pay Grade	Total
O7 & Above	-
O6	-
O5	-
O4	2
O3	8
O2	5
O1	11
Officers	26
E9	-
E8	1
E7	4
E6	15
E5	56
Enlisted	76
Total	102

Source: SAIC computation based on available data.

HOUSING MARKET AREA

Elmendorf AFB is located just north of the Municipality of Anchorage on the southern coast of Alaska. The Elmendorf Housing Market Area (Figure ES-1) includes most of Anchorage as well as the towns of Eagle River and Chugiak north of the base.

CURRENT HOUSING SUPPLY

Private Sector Housing Stock

Currently, there are 69,069 housing units in the Elmendorf Housing Market Area. The housing inventory consists of 37,697 rental and 31,372 owner-occupied housing units.

Rental Housing Stock Composition

Rental units in larger apartment complexes in the Anchorage area do not typically meet DoD minimum square footage requirements. To compensate for their below regulation size in the analysis, 27 percent of the rental supply has been categorized as having one less bedroom than the actual bedroom count for the unit. After this adjustment, nearly 75 percent of the rental market is comprised of two-bedroom units or smaller, 15 percent have three bedrooms, and units that have four or more bedrooms make up ten percent of the total rental stock.

The majority of one- and two-bedroom rental units cost from \$500 to \$900 per month including utilities. Most three-bedroom rentals cost over \$1,100 per month, while most four-bedroom and larger units cost \$1,300 or more.

Rental Housing Suitability and Vacancies

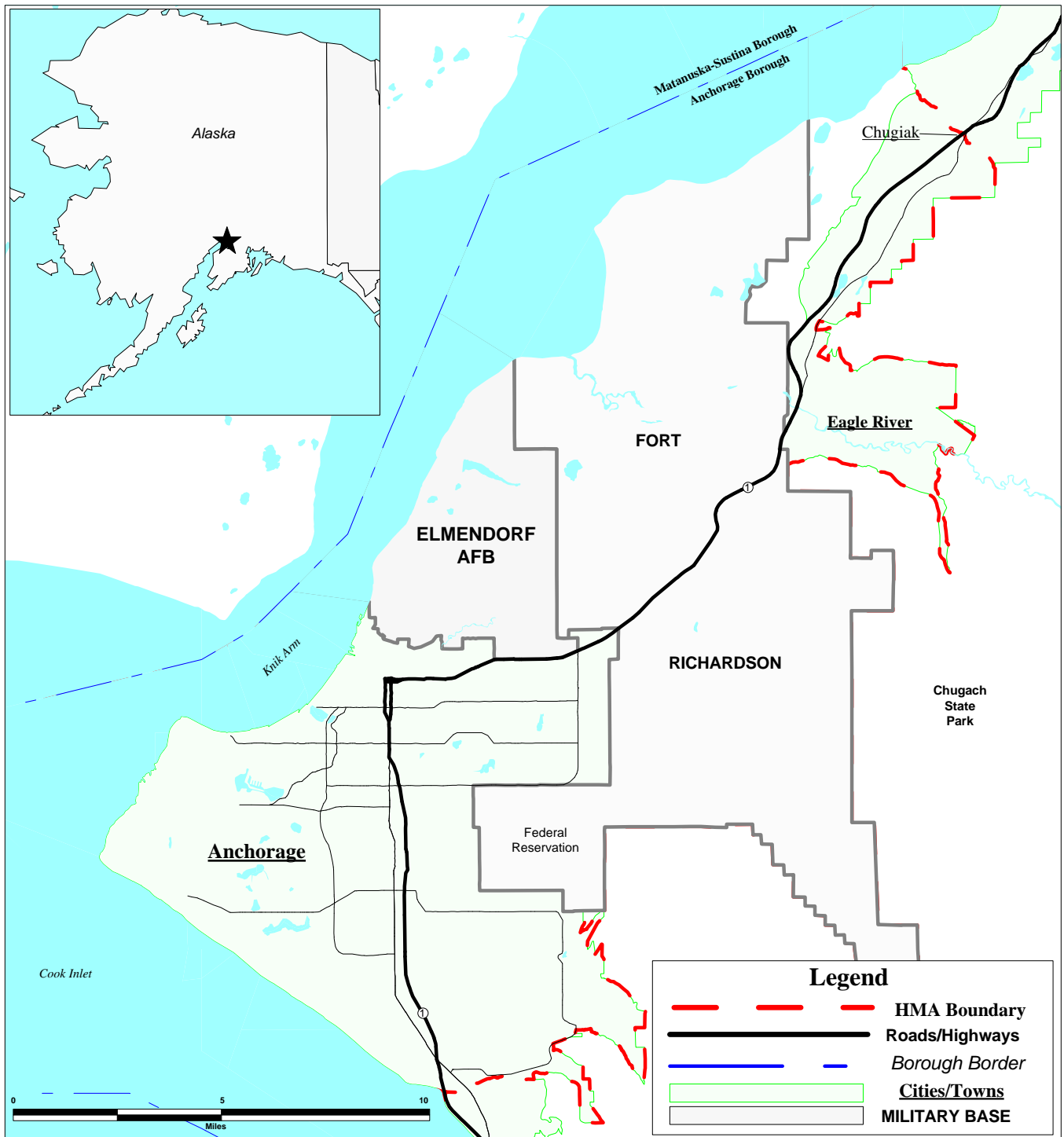
Out of the total rental supply, 9,539 units are considered to be unsuitable by Air Force standards primarily due to their physical condition and health and safety factors. Mobile homes account for 1,228 of these unsuitable units.

There are currently 2,043 suitable rental vacancies in the Elmendorf Housing Market Area. These vacancies are considered to be held for turnover, rentals for the tourist season, maintenance and repairs, and as natural vacant rentals, are not considered available for occupancy.

Military Family Housing

Current MFH assets consist of 1,606 units. Over 100 of these MFH units are currently vacant and, because of their condition, 28 units will not be reoccupied. These vacant units are however considered in the analysis as required by the *Air Force Guidance Manual*

Figure ES-1. Elmendorf Housing Market Area, 1996



Military Rental Market Share

The military family share of the 1996 rental market is 1,029 units and the unaccompanied personnel market share is 281 units.

CURRENT MILITARY HOUSING REQUIREMENT

Currently, there are 6,855 military personnel, including Air Force and non-Air Force personnel, for whom Elmendorf AFB has housing responsibility, including 29 personnel in Key and Essential (K&E) positions. Also included in the total manpower are the 122 accompanied personnel who are voluntarily separated from their spouse and/or dependents and are not a housing requirement for Elmendorf AFB.

Family Housing Requirement

There are 4,454 military families, including 384 military couples, of which 1,606 are assumed to live in MFH, 1,138 own homes, and 1,710 require rental units off base.

Unaccompanied Personnel Housing Requirement

There are a total of 1,895 unaccompanied personnel of which 529 are in grades E5 and above and require off-base housing. Of these unaccompanied personnel requiring off-base housing, 152 own homes and 377 require rental units.

FUTURE HOUSING SUPPLY

Private Sector Housing Stock

The number of housing units in the Elmendorf Housing Market Area is projected to increase to 71,965 units in 2001 consisting of 38,839 rental and 33,126 homeowner housing units.

Rental Housing Stock Composition

The bedroom distribution in the rental market is expected to be the same as in 1996. Rental rates are projected to increase at 1.9 percent per year from 1996 to 2001.

Rental Housing Suitability and Vacancies

There are projected to be 9,695 unsuitable rental units in the Elmendorf Housing Market Area in 2001. The rental market in 2001 is projected to hold 2,784 suitable units vacant for turnover and maintenance requirements as well as seasonal occupancy, that will not be available for long-term occupancy.

Military Family Housing

For 2001, the MFH assets at Elmendorf AFB will remain unchanged from 1996 as there is uncertainty about the number of MFH units that will be in the inventory at that time. The FY98 PAIP authorizing the demolition of 28 units is in abeyance and it is uncertain whether or not it will eventually be executed. The base is also currently assessing alternative privatization initiatives which could include demolition of the 28 units, removal of additional housing from the MFH inventory as well as additional housing units being constructed.

Military Rental Market Share

The military family share of the 2001 rental market is 1,061 units and the unaccompanied personnel market share is 289 units.

FUTURE HOUSING REQUIREMENT

In 2001, Elmendorf AFB is projected to have housing responsibility for 6,993 military personnel including 29 personnel who fill K&E positions. The 2001 manpower authorization accounts for personnel¹ who are being transferred from Yokota AB in Japan and other locations to Elmendorf AFB over the next few years.

Family Housing Requirement

Of the 4,559 military families, including 393 military couples, an estimated 1,765 families will require off-base rental units, 1,188 will own homes, and 1,606 will live in MFH units. There will be 125 accompanied personnel who are voluntarily separated.

Unaccompanied Personnel Housing Requirement

There are projected to be 1,916 unaccompanied personnel in 2001. Out of this total, 548 unaccompanied service members who are not required to live on base will reside in private owner-occupied or rental housing units.

¹ These personnel are currently arriving at Elmendorf AFB

Table ES-5. Military Family Housing Summary

MILITARY FAMILY HOUSING JUSTIFICATION				1. DATE OF REPORT		2. FISCAL YEAR		REPORT CONTROL SYMBOL			
3. DOD COMPONENT				4. REPORTING INSTALLATION							
5. DATA AS OF April 1996				a. NAME Elmendorf Air Force Base				b. LOCATION Alaska			
ANALYSIS OF				CURRENT				PROJECTED			
REQUIREMENTS AND ASSETS				OFFICER (a)	E9 - E4 (b)	E3 - E1 (c)	TOTAL (d)	OFFICER (e)	E9 - E4 (f)	E3 - E1 (g)	TOTAL (h)
6. TOTAL PERSONNEL STRENGTH				839	4,675	1,341	6,855	861	4,810	1,322	6,993
7. PERMANENT PARTY PERSONNEL				839	4,675	1,341	6,855	861	4,810	1,322	6,993
8. GROSS FAMILY HOUSING REQUIREMENTS				597	3,417	440	4,454	611	3,514	434	4,559
9. TOTAL UNACCEPTABLY HOUSED (a,b,c)				-	-	-	-				
a. INVOLUNTARILY SEPARATED				-	-	-	-				
b. UNACCEPTABLY HOUSED - MILITARY ASSETS				-	-	-	-				
c. UNACCEPTABLY HOUSED - COMMUNITY ASSETS				-	-	-	-				
10. VOLUNTARY SEPARATIONS				-	-	-	-	-	-	-	-
11. EFFECTIVE HOUSING REQUIREMENTS				597	3,417	440	4,454	611	3,514	434	4,559
12. ADEQUATE HOUSING (a & b)				567	2,904	302	3,773	576	2,977	302	3,855
a. UNDER MILITARY CONTROL				174	1,280	152	1,606	174	1,280	152	1,606
(1) Housed in Existing DOD Owned/Controlled				174	1,280	152	1,606	174	1,280	152	1,606
(2) Under Contract/Approved								-	-	-	-
(3) Vacant				-	-	-	-				
(4) Inactive				-	-	-	-				
b. PRIVATE HOUSING				393	1,624	150	2,167	402	1,697	150	2,249
(1) Acceptably Housed				-	-	-	-	-	-	-	-
(2) Suitable Vacant Rental Housing				-	-	-	-	-	-	-	-
13 EFFECTIVE HOUSING DEFICIT (11-12)				30	513	138	681	35	537	132	704
14. PROPOSED PROJECT											
15. REMARKS (Specify item number)											